THIRD UNITED NATIONS CONFERENCE ON THE LEAST DEVELOPED COUNTRIES

MAURITANIA

SUMMARY OF DRAFT NATIONAL PROGRAMME OF ACTION
(preliminary version)

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I. INTRODUCTION

1. Mauritania, a vast, sparsely populated country with a predominantly rural population, forms a bridge between northern Africa and sub-Saharan Africa. Like other countries of the Sahel, Mauritania is a semi-arid land characterized by high temperatures, low, irregular rainfall, sparse vegetation and relatively limited water resources, in terms of both surface and underground water. The Mauritanian economy is characterized by the existence of a traditional labour-intensive sector alongside a modern sector dependent on imports, based mostly on mining, industrial fisheries and irrigated farming. The service sector is a major source of wealth creation, contributing around 43.5 per cent of gross domestic product (GDP); the primary sector contributes a fifth of national production. Livestock-farming and agriculture are heavily dependent on the irregular rainfall. The fisheries sector is one of the country's main sources of foreign currency. Mining is a key sector in Mauritania's economy because of the size and diversity of underground resources (iron, copper, gypsum, salt, phosphates, uranium, gold, hydrocarbons and diamonds).

II. REVIEW OF THE 1990s

2. The economic programmes under the structural adjustment policies have made it possible to balance the budget and the external account, improve performance in terms of growth, bring inflation under control and make progress in the provision of social services. Between 1990 and 1998, GDP grew at an annual average rate of 4.2 per cent, which is higher than the population growth rate. This had only a small impact on the proportion of people living in poverty, which fell from 56.5 per cent in 1990 to 50 per cent in 1996. A breakdown of the national product shows a small decline in the pastoral sector, a significant decrease in the industrial sector from 10 per cent to 6.7 per cent of GDP, the growing importance of services in the economy, with the private sector's contribution to GDP climbing from 23.4 per cent to 28.4 per cent, and a fall in the contribution of government following the recruitment freeze in the civil service.

3. Between 1990 and 1999, the primary sector's contribution to GDP remained stable at around 21 per cent. The added value generated by the sector grew on average by 4.5 per cent in real terms. The sector's good performance can be attributed to satisfactory developments in agriculture (growth of 8.5 per cent a year) and the livestock sector (2.9 per cent a year) as a result of the good rainfall in recent years. The service sector consolidated its position, going from 41 per cent in 1990 to 44 per cent in 1999, thanks largely to the vitality of the hotel trade and of the transport and telecommunications sector, whose contribution rose from 6 per cent in 1990 to 8 per cent in 1999. Foreign trade grew by 8.5 per cent on average, with fishing and iron-ore products accounting for 95 per cent of the country's exports. Meanwhile, the value of imported goods grew on average by 9.2 per cent between 1990 and 1999.

Constraints

4. Despite the progress made, a number of constraints have prevented any real inroads being made into poverty. These are: (i) the low growth rate in GDP per capita in real terms; (ii) the fact that growth has not benefited the poor; (iii) the outward-looking nature of the two big export industries (mining and fishing), which use up much of the foreign currency they generate;

(iv) the problems encountered by the poor in gaining access to the means of production, such as access to credit, poorly implemented land reform or the high rate of underemployment; (v) weak institutional capacity in economic and social policies; (vi) the ineffectiveness of welfare expenditure, linked to the lack of transparency; and (vii) environmental degradation resulting from poor management of natural resources.

Characteristics of the economic sectors

5. Since 1990, the country has been following an agricultural structural adjustment programme (PASA) aimed at laying the foundations for sustainable development based on private initiative, liberalization of the domestic market, withdrawal of the State and the creation of an independent and viable source of funding. The sector's performance between 1990 and 1999 was variable, revealing its vulnerability. The share of the country's grain needs covered by domestic production progressed in switchback fashion, averaging 29 per cent. As far as livestock are concerned, the main action during the decade concerned the introduction of up-to-date veterinary techniques, which has been quite successful, and livestock numbers have been growing steadily for several years. However, the progress made in the rural sector has not increased its contribution to GDP, and the country is still dependent to a large extent on imports and food aid. This situation can be explained by a number of factors such as: (i) the isolation of areas of production; (ii) the inadequacy of training and promotional services; (iii) the partial financing of the sector through agricultural funding; (iv) the limitations of pricing policy; (v) environmental degradation, the overexploitation of underground water in oases and the low agricultural yield in the absence of rain; (vi) the absence of links within sectors; and (vii) the fact that the economy of the livestock subsector is part of the informal economy.

6. The fisheries sector represents over 10 per cent of GDP and contributes 55 per cent of export revenue and 25 per cent of budget revenue. It is a key industry in the country but is faced with several difficulties, such as the lack of capacity to monitor developments in fish stocks owing to the shortage of human and, particularly, financial resources, the limited know-how of firms and the lack of a qualified workforce both for seagoing activities and for processing activities on land, and the inadequacy of port and airport infrastructures.

7. Major reforms have been carried out in the mining sector since 1990, including updating the legal framework and strengthening State institutions. The sector's contribution to GDP has been stable at around 12 per cent since 1990. This can be explained by the increase in GDP and the growth of other sectors such as fisheries and services. The sector is still the second-largest employer in the country and accounts for over 40 per cent of export revenues. Mauritania is naturally rich in mining resources, but faces many constraints - the unavailability of adequate basic geological data, the lack of a decree to implement the mining code, the inadequate infrastructure and the low level of participation by domestic mine operators.

8. Meanwhile, the basic transport, energy, water and telecommunications infrastructures are still inadequate and this restricts the growth of the production sector. For example, telephone density is 0.56 lines per inhabitant; in addition to low coverage, the quality of the service is not very high either. These sectors are undoubtedly dependent on the population's level of training and education. Efforts made in the educational sector during the last 10 years have led to improvements in enrolment rates and an expansion of the educational infrastructure, resulting in

an improvement in enrolment rates from 52 per cent in 1990 to 88 per cent in 1999 for boys, and from 40 per cent to 84 per cent for girls. A study of the health indicators shows some improvement but the figures for health coverage are still low. The mortality rate fell from 120 per cent in 1990 to 105.5 per cent in 1999. The child mortality rate fell from 68 per cent to 54 per cent for boys and from 60 per cent to 49 per cent for girls. At the same time, life expectancy rose from 49.2 years in 1990 to 52.8 years in 1998. The health sector still faces shortages of medical supplies and skilled workers.

III. PROGRAMME OF ACTION FOR 2000-2010

9. The aim is to reduce poverty significantly by 2010, bringing the indicator down from 50 per cent to 40 per cent through sustained growth. To create favourable conditions for a reduction in poverty will require, in addition to a stable macroeconomic framework, the formation of an effective partnership between the Government and civil society and action on all development fronts.

10. The following are the strategic goals for the development of the rural sector: (i) to help ensure food security; (ii) to increase rural employment and the income of livestock-breeders and farmers; (iii) to promote the integration of the agricultural sector into the domestic and international markets; and (iv) to protect and preserve natural resources for sustainable development. To reach these goals, three sets of policies need to be implemented: (i) the development of distribution channels for plant, animal and forest produce; (ii) the development of the economic and social infrastructure (health, education, rural water supplies and road networks); and (iii) the adoption of institutional and organizational policies.

11. Environmental protection and optimal management of natural resources: The aims are as follows: (i) the protection and sustainable management of natural resources; (ii) action to combat silting; (iii) the preservation of ecosystems and biodiversity; (iv) integrated land-based agro-sylvo-pastoral development; and (v) action to combat environmental degradation in the form of pollution of the sea and inland waters.

12. Development of a diversified production sector:

Fisheries sector: The aim is to make this sector a vehicle for growth. To do this, a number of actions are planned: (i) an assessment of the area's resources; (ii) improving coastal monitoring; (iii) setting up a programme to expand traditional, small-scale fishing; (iv) putting in place the basic infrastructure needed to promote the sector; and (v) improving specialized training in the sector.

Mines: The primary objective is to improve productivity in the sector and integrate it further into the national economy. For this purpose, the following actions have been identified: (i) encourage private initiative; (ii) develop a local mineral-processing industry to meet the needs of the local market; and (iii) obtain geological and geophysical data.

13. Infrastructure: The Government is aware of the weakness of the infrastructure and its importance in development, and actions are planned in all areas.

Transport: (i) improve road maintenance to consolidate the existing network and enhance usability; (ii) comply with air safety requirements; (iii) ensure that ports operate as efficiently as possible; and (iv) organize maritime trade.

Energy: (i) the State is to withdraw gradually from all energy-production activities; and (ii) the legal and regulatory framework is to be reviewed.

Water supply: In rural areas, efforts will be aimed at restoring environmental balance, giving communities responsibility for equipment and involving the private sector in the work. In towns and cities, action will be aimed at meeting foreseeable consumer demand, developing the means of production and improving water distribution, raising the level of service and extending water supplies to the poorest in society.

Telecommunications: The action envisaged is as follows: (i) reform the institutions in this sector; and (ii) liberalize the sector and encourage the private sector.

14. Human resources: The country's strategic aims in the area of education are to make basic education more widely available, improve the quality of secondary education and reorganize higher education.

With regard to health, action is intended to: (i) extend health coverage to those areas and populations not covered at present; (ii) ensure the fair distribution of human resources throughout the country; (iii) improve the supply and distribution of medicines; (iv) encourage the private sector; and (v) reduce morbidity and mortality in the under-5s and strive to overcome endemic diseases.